

Maryland Health Benefit Exchange Board Meeting Minutes

August 16, 2011
1:00 p.m. - 4:00 p.m.
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, MD 21215

The materials presented in the meeting are listed on the Maryland Health Benefit Exchange webpage: <http://dhmh.maryland.gov/healthreform/exchange/materials/aug16materials.html>

Members Present

Joshua M. Sharfstein, M.D.	Georges Benjamin, M.D.
Therese Goldsmith, J.D., M.S. ¹	Jennifer Goldberg, J.D., LL.M.
Darrell Gaskin, Ph.D.	Enrique Martinez-Vidal, M.P.P.
Ben Steffen, M.A.	Thomas Saquella, M.A.

Members Absent

None

Welcome, General Updates, and Approval of Minutes

Secretary Sharfstein welcomed the Board members and participants. He announced that on August 12th, the U.S. Department of Health and Human Services (HHS) approved the Establishment Level 1 Grant submitted by the state. Thus, Maryland was awarded \$27.2 million in grant funds to be used for establishing Maryland's Exchange. Combined with the Early Innovator Grant funds, Maryland has about \$35 million to support Exchange-related activities, such as hiring staff, conducting legislative studies, and developing information technology.

After correcting minor issues, the Board approved the July 19th meeting minutes.

Approval of Legislative Studies RFPs

Alice Burton, consultant to the Maryland Department of Health and Mental Hygiene (DHMH), presented an update on the status of three requests for proposals (RFPs) related to the legislative studies - the Exchange operating model, the Exchange's public relations and advertising plan, and the financing of the Exchange. Ms. Burton said the three RFPs follow a general format by describing the scope of work, including the deliverables, engagement with the advisory committees, and how the contractor is expected to develop Maryland-specific options. Each of the RFPs assumes that the contractor may have continuing work following the report due in November. The public relations RFP differs in that instead of a quantitative analysis, the contractor is expected to conduct an environmental scan of communication needs and opportunities. This contractor will also work closely with the Health Care Reform Coordinating Council and develop initial products that may be used by the Exchange.

All RFPs were posted on August 5th, and questions were allowed until August 12th. Bids are

¹ Present through teleconference.

due on August 26th, and an award recommendation is expected to be presented to the Board at the September 20th meeting.

Advisory Committee Update

Mr. Saquella, Co-Chair of the Advisory Process Committee, gave an overview of a document distributed to the Exchange Board entitled, “Exchange Advisory Committees: Roles and Responsibilities”. He announced that co-chairs for each advisory committee were selected, and that the board liaison is responsible for acting as an intermediary between the committee and the Exchange Board. Advisory committees will hold open, public meetings, and are encouraged to accept public input. Mr. Saquella announced the advisory committee meeting dates and times:

- Operating Model and Insurance Rules – September 19th from 1:00 to 3:00 p.m. at the University of Maryland, Baltimore County (UMBC) Technology Center
- SHOP – September 12th from 1:00 to 4:00 p.m. at the UMBC Technology Center
- Navigator and Enrollment – September 7th from 2:00 to 5:00 p.m. at the UMBC Technology Center; September 26th from 2:00 to 5:00 p.m. at the UMBC Technology Center
- Finance and Sustainability – September 22nd from 9:00 to 11:00 a.m. at the Maryland Department of Transportation

The Board will consider holding both advisory committee and Exchange Board meetings in other areas of the state instead of the Baltimore region.

Briefing on Proposed Rules

Meredith Borden, Interim Counsel to the Exchange, and Jesse Kopelke and Nicole Stallings, DHMH staff members, gave a high-level overview of HHS proposed rules for the Affordable Care Act using a PowerPoint presentation. These rules concern two topics: (1) establishment of Exchanges and qualified health plans; and (2) standards related to reinsurance, risk corridors, and risk adjustment. A draft of detailed comments on the proposed rules will be presented to the Board for their approval at the September 20th meeting.

Executive Director Vote to Approve Hiring

A motion to adjourn to closed session² was made by Secretary Sharfstein, seconded by Dr. Benjamin and unanimously approved. Persons present during the closed session were all Board members and Ms. Borden, Ms. Stallings, and Joshua Auerbach, Principal Counsel to DHMH.

² The meeting was closed pursuant to (1) State Government Article §10-508(a)(1), which provides that a session may be closed to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction, and (2) State Government Article §10-508(a)(14), which provides a session may be closed before a contract is awarded or bids are opened, discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

The Board discussed and unanimously approved the appointment of Rebecca Pearce as the Exchange Executive Director. Ms. Pearce was then invited into the closed session.

After returning to open session, Secretary Sharfstein announced Rebecca Pearce as the Exchange Executive Director. Ms. Pearce introduced herself and briefly discussed her work experience in the health insurance industry. Ms. Pearce will begin her new position on September 12th.

The Board unanimously approved the resolution authorizing the hiring of the Executive Director.

Legislative Studies: Update on Procurements

Also during the closed session, the Board discussed procurements for three of the legislative studies mandated by the Maryland Health Benefit Exchange Act. After returning to open session, Secretary Sharfstein announced the selected vendors. Manatt was selected for the Navigator Program and Consumer Assistance study. The Institute for Health Policy Solutions was selected for the SHOP Exchange study. Mercer was selected to conduct the market rules and risk selection study. These selections were unanimously approved by the Board.

The Board approved the resolution authorizing award of contracts for the studies.

Conflict of Interest Policy for Legislative Studies

Ms. Borden presented an overview of the conflict of interest policy for the procurement of legislative studies mandated in the Maryland Health Benefit Exchange Act. This policy ensures that procurements are objective and impartial and requires vendors to disclose potential conflicts of interests. This policy also defined actual conflict of interest, potential conflict of interest, and financial interest.

Secretary Sharfstein clarified that the conflict of interest policy was followed for the procurements that were already awarded. Ms. Borden added that the three vendors selected for the legislative studies submitted a conflict of interest disclosure that said they did not have an actual or potential conflict of interest as defined in the policy.

The Board unanimously approved the resolution adopting the conflict of interest policy.

Next Steps

Secretary Sharfstein thanked participants for attending the meeting.